

Small Business Administration

§ 124.6

(2) Section 7(j) authorizes SBA to provide financial assistance to public or private organizations to pay all or part of the cost of projects designed to provide technical or management assistance to individuals or small business concerns eligible for assistance under sections 7(i), 7(j)(10), and 8(a) of the Small Business Act.

[54 FR 34712, Aug. 21, 1989, as amended at 55 FR 34902, Aug. 27, 1990]

§ 124.2 Associate Administrator for Minority Small Business and Capital Ownership Development.

The Associate Administrator for Minority Small Business and Capital Ownership Development (AA/MSB&COD), who shall be an employee in the competitive service or in the Senior Executive Service, and a career appointee, is responsible for the formulation and execution of the policies and programs under sections 7(j) and 8(a) of the Small Business Act. The AA/MSB&COD operates under the ultimate supervision of, and is generally responsible to, the Administrator of SBA.

§ 124.3 Division of Program Certification and Eligibility.

The Division of Program Certification and Eligibility (Division) within the Office of Minority Small Business and Capital Ownership Development (MSB&COD) shall be responsible for handling all matters relating to 8(a) program eligibility, termination and graduation from 8(a) program participation, and certifications of disadvantaged status for purposes of any program or activity conducted under the authority of section 8(d) of the Small Business Act or any Federal law that references such section. The Division, headed by a Director who shall report directly to the AA/MSB&COD, shall have field offices within some or all of the Agency's regional offices.

§ 124.4 Commission on Minority Business Development.

A Commission on Minority Business Development (Commission) shall be established pursuant to section 505 of the Business Opportunity Development Reform Act of 1988 (Pub. L. 100-656). This Commission is authorized to review all Federal programs designed to promote

the development of minority-owned businesses in order to ascertain whether the congressionally described goals and purposes of such programs are being realized.

§ 124.5 Violations.

Willful violation by an applicant for admission to the section 8(a) program or an applicant for participation in the section 7(j) program or any of SBA's regulations governing these or its other programs may result in the applicant's denial of admission to the program. The nature and severity of any such violation will be considered by the AA/MSB&COD in making a determination on the admission of an applicant to the program.

§ 124.6 Penalties for misrepresentations and false statements.

(a) *General.* Section 16 of the Small Business Act (15 U.S.C. 645) sets forth penalties for false statements and misrepresentations.

(b) *Misrepresentation of small business or small disadvantaged business status.* The Business Opportunity Development Reform Act of 1988 (Pub. L. 100-656) increased the penalties for intentional misrepresentation of small business status or small disadvantaged business status. Generally, section 16(d) of the Small Business Act provides that any person or entity that intentionally misrepresents the status of any concern or person as a "small business concern" or "small business concern owned and controlled by socially and economically disadvantaged individuals" in order to obtain for him/herself or another any of the contracting opportunities set forth in paragraph (b)(1) of this section will be subject to the penalties set forth in paragraph (b)(2) of this section. The following contracting opportunities are subject to penalties for misrepresentation described in this section:

(1)(i) A prime contract to be awarded pursuant to section 9 (Small Business Innovation Research Program authority) or section 15 (various small business set-aside authorities) of the Small Business Act;

(ii) A subcontract to be awarded pursuant to section 8(a) of the Small Business Act;